

House District 8

Senate District 5

**THE TWENTY- FOURTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

Log No: 172-C

For Legislature's Use Only

Type of Grant or Subsidy Request:

☐ GRANT REQUEST - OPERATING

☒ GRANT REQUEST - CAPITAL

☐ SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN): _____

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Maui Arts & Cultural Center
Dba:

Street Address:
One Cameron Way, Kahului, HI 96732
Mailing Address:
One Cameron Way, Kahului, HI 96732

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name KAREN A. FISCHER

Title President & CEO

Phone # (808) 242-2787 ext 223

Fax # (808) 242-4665

e-mail karen@mauiarts.org

3. TYPE OF BUSINESS ENTITY:

- ☒ NON PROFIT CORPORATION
☐ FOR PROFIT CORPORATION
☐ LIMITED LIABILITY COMPANY
☐ SOLE PROPRIETORSHIP/INDIVIDUAL

4. FEDERAL TAX ID # [REDACTED]

5. STATE TAX ID # [REDACTED]

6. SSN (IF AN INDIVIDUAL): _____

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

TO CONSTRUCT THE MAINTENANCE/STORAGE FACILITY, A COMPONENT OF STAGE 3 CONSTRUCTION IN WHICH TO SUPPORT OUR ENTIRE ORGANIZATION AND ITS EFFECTIVENESS.

(Maximum 300 Characters)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$ 500,000

9. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- ☐ NEW SERVICE (PRESENTLY DOES NOT EXIST)
☒ EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ 0

FEDERAL \$ 0

COUNTY \$ 0

PRIVATE/OTHER \$ 8,234,245

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

[REDACTED]
AUTHORIZED SIGNATURE

JAMES HAYNES, CHAIRMAN OF THE BOARD
NAME & TITLE

1/30/08

DATE SIGNED

**Maui Arts & Cultural Center
Hawai'i State Legislature
Application for Grants & Subsidies FY08-09
Chapter 42F, Hawai'i Revised Statutes**

I. BACKGROUND AND SUMMARY

The Maui Arts & Cultural Center (MACC) respectfully requests a grant of \$500,000 for capital improvement in FY 2008-09, to support the construction of MACC's Maintenance/Storage facility, a component of Stage 3 construction, which will in turn support the entire organization and its effectiveness and protect the long-term investment made by the State, County and other supporters over the past 14 years.

Since opening in 1994, Maui Arts & Cultural Center has grown to service over 1,800 events annually and with it are the resulting demands for daily maintenance, upkeep, repairs, equipment and storage. A wide variety of unique arts opportunities are available to the people, both residents and visitors, of Maui – that would otherwise not experience. Maui Arts & Cultural Center is described as “the artistic and educational heart of an entire community.” (*The Maui News*, 2001) In addition, The Center provides services to the State through sustained economic activity and generates national recognition from its program activities. The 2007 study of *Arts & Economic Prosperity III: The Economic Impact of Nonprofit Arts & Culture Organizations and Their Audiences* reveals that **Maui Arts & Cultural Center** is a part of the nonprofit arts and culture industry that is “**an economic driver in these communities – a growth industry that supports jobs, generates government revenue, and is the cornerstone of tourism.**”

1. Brief History: The Maui Arts & Cultural Center is a nonprofit community arts organization incorporated in 1984. MACC, Hawai'i's first and only comprehensive multidisciplinary arts facility was the culmination of a 30-year dream of Maui's people when it opened its doors in May 1994. It has since served over 2.5 million people with diverse programming from local to global, from pop/rock concerts to symphony, from traditional hula to classical ballet, from community theater productions to Broadway plays, from exhibitions of children's art to museum quality shows. It also provides facility rental opportunities for the community and outside promoters. MACC offers performances by artists from all over the world at affordable ticket prices including free public performances in the remote locales of our tri-island county: Hāna, Maui, Lāna'i and Moloka'i.

In addition to its diverse programming, The Center partners with the Department of Education and the University of Hawai'i-Maui in arts integrated education programs for classroom teachers and students in grades K-12 through its nationally acclaimed arts education program, in affiliation with the John F. Kennedy Center for the Performing Arts in Washington D.C. and the Hawai'i Department of Education. This project, which reaches teachers across the State thereby impacting students state-wide, is helping teachers meet state-mandated requirements for student learning in the arts.

2. Goals and Objectives: Because the MACC is currently operating at capacity and in order to better serve its community needs now and in the future, the goal of this project is to complete construction of Stage 3 by 2009, which is projected to cost nearly \$13 million and which will replace a variety of temporary set-ups—staging, food & beverage service, food prep areas, storage/maintenance area—with permanent structures that can support the infrastructure to serve over 274,000 people annually. **Specifically, the MACC is seeking the support of the State to help provide a facility to store equipment, machinery, and tools, as well as a repair shop, in order to**

maintain and protect the long-term investment that the State, County and private donors have made to the MACC, now a 22-acre site, over the course of nearly 14 years. The 2,400 square feet maintenance/storage facility component is projected to cost nearly \$560,000 to construct and will provide ample space for storage, a work area and limited office space for use by facility & operations supervisory personnel. **Adding a maintenance/storage facility will enhance the cost-effectiveness of the operations** giving us the ability to purchase and store our own maintenance equipment and tools, alleviating the reliance on equipment rentals to meet the demands of the myriad of activities at the MACC. **As our facilities age, it is critical that we invest in our service infrastructure an invisible yet ongoing maintenance required to meet public demands and expectations of an attractive and well-functioning facility.**

3. Public Purpose & Need: Maui Arts & Cultural Center's success can be gauged by consistent annual growth in attendance which now exceeds 274,000 annually: over 75,000 attended performance events; nearly 47,000 attended A&B Amphitheater events; over 25,000 attended free gallery exhibits; as "Maui's largest classroom," over 7,300 students and teachers, 391 in our remote geographic locales of Hāna, Maui, Lāna'i and Moloka'i, attended CanDo! Days; nearly 6,900 students and teachers made school field trips to The Center for performances for students, educational gallery tours and Artwork participation; over 8,000 participated in Artist in Community activities which included over 2,300 attendees in our remote locales.

The Center's facilities are available for rent to the community at highly subsidized rates and provide flexible and diverse performance, meeting, exhibition, and educational spaces all in one facility. 69% of all activity at the MACC is generated by a wide range of community groups. At the same time, The Center attracts promoters and corporate groups to Hawai'i, generating significant economic activity for the State. There is no other comparable facility in Hawai'i or the Pacific. With over 1,800 annual events and serving over 274,000 people, the need for facilities and its maintenance is critical to successfully serve our community.

4. Target Population: Our constituencies include all of the people of the State. Since its inception, the Maui Arts & Cultural Center has been a reflection of the community. The Center serves a diverse range of residents and visitors (15%) providing equal access to the arts for all of the State's communities including children and seniors, performing and visual artists, and teachers and students. The Center partners with many of Maui's community arts organizations, 38 public and private schools, artists, educators, children, students, seniors, residents, part-time residents, visitors, and non-profit organizations. Proven community support for The Center can be seen in the increase in membership (over the past six years annual membership has increased by 30%) and the growing number of volunteers. Since MACC opened, more than 3,200 individuals are currently volunteers which is equivalent to 2% of Maui's population. Volunteers have given 328,645 hours of time for a value of \$5.8 million, clearly impacting our community and the viability of the arts.

5. Geographical Coverage: Maui Arts & Cultural Center primarily serves the tri-isle county of Maui: Maui, Lāna'i and Moloka'i. However many of our performances attract part-time residents and visitors who come to Maui from across the State and all corners of the world. Our professional development workshops have been attended by Maui County teachers as well as educators from O'ahu and the continental U.S.

II. SERVICE SUMMARY AND OUTCOMES

1. **Scope of Work, Task, and Responsibilities:** The Center's maintenance operations are responsible for the upkeep of the entire facility. Task and responsibilities include but are not limited to landscaping, janitorial services, setting up and breaking down for events ranging from small meeting groups to large outdoor amphitheater concerts in which to provide the people of Maui with a high-quality facility and a wide range of local and world-class performers and artists; serving arts, cultural and community groups with subsidized rentals, marketing and technical assistance, and opportunities for income-generating activities.

2. **Timeline for Services:** Capital Construction timeline for Stage 3 is scheduled to begin April 2008; the estimated duration of construction for the maintenance/storage facility is 12-15 months.

3. **Quality Assurance and Evaluation:** MACC's ability to monitor, evaluate and improve its facilities relates to how the MACC has grown. With multiple daily events and the need to support quick turnarounds, The Center is keenly aware of its need to keep pace with current expectations in maintaining its high standards since opening in 1994. The Board monitors the quality of its facilities and programs; Board and staff regularly evaluate its facilities and usage to improve its services and partnerships.

Construction of the maintenance/storage facility will be managed by experienced personnel. Continuity will be maintained through the design and construction management team that successfully guided Stage I and Stage II construction to completion. Special inspectors are contracted as needed to insure quality control for critical elements of construction. The Center does not hesitate to hire the experts in design, development and execution of the facilities.

4. **Measures of effectiveness:** Maui Arts & Cultural Center's measure of effectiveness is based on its ability to maintain the 22-acre facility in the heart of Central Maui and our ability to increase our earned income by maintaining an attractive presence for residents and visitors. Effective measures also include the number of people served in our community as a result of expanded facilities and maintenance operations.

III. **FINANCIAL** **Budget**

1. **PROPOSED BUDGET** (See attached)
2. **ANTICIPATED QUARTERLY FUNDING**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
0	0	0	\$500,000	\$500,000

IV. **EXPERIENCE AND CAPABILITY**

A. **Necessary Skills and Experience**

Art Vento, MACC's Executive Vice President & General Manager will manage, oversee, and coordinate the design and construction of the maintenance and storage facility, and will be assisted by a project team to review and administer contracts, monitor costs and budget, and insure quality

control. Art was also the original Project Manager during construction of The Center and he is a registered architect who graduated with honors from the University of Notre Dame. Art also oversees Center relationships with commercial renters and promoters.

Construction Project Management: **Providing continuity** to the project is O'ahu-based architect John Hara, who designed the Maui Arts & Cultural Center, and is the design architect for the proposed changes and additions in Stage III, and Honolulu Builders, the project's contractors.

B. Facilities. Our versatile facilities currently include the state-of-the-art 1,200-seat H.K.L. Castle Theater; the 250-seat flexible space McCoy Studio Theater; the 4,100-square-foot climate-controlled Schaefer International Gallery; 5,000 capacity outdoor Alexander & Baldwin Amphitheater; *pā hula*, special events lawn, hospitality courtyard, dance studios; classrooms; meeting rooms and parking. These facilities are available year round, at highly subsidized rates. All of Maui Arts & Cultural Center's facility plans were reviewed and approved by the Disabilities Communication Access Board in meeting ADA requirements where applicable.

V. PERSONNEL: PROJECT ORGANIZATION AND STAFFING

A. Proposed Staffing, Staff Qualifications, Supervision and Training

Karen Fischer, President & CEO, has been at the MACC for 9 years and brings over 25 years of national arts management experience to The Center, with expertise in presenting, fundraising, finance, marketing, and community-based organizations. Also responsible for the presenting program, she is a board member of the Performing Arts Presenters of Hawai'i and a member of the Hawai'i Association of Music Societies. Previously, she served as Associate Director at Cal Performances, University of California, Berkeley, and Director of Development for Yerba Buena Center for the Arts in San Francisco, and for The Joffrey Ballet in New York and Los Angeles. She earned an MBA, arts management, from UCLA, and a JD from UC Berkeley. Her law career included a clerkship with Legal Aid Society of Hawai'i in Honolulu.

Executive Vice President & General Manager **Art Vento**, originally Project Manager for The Center's construction, oversees Center relationships with commercial renters and promoters. He is managing Stage III of The Center's construction. Art is a registered architect who graduated with honors from the University of Notre Dame. He holds a second degree in art history. In Fort Lauderdale, Florida he managed the construction of the \$60 million dollar Broward Center for the Performing Arts, where he was a key member of the design team. Art came to Maui as project manager for the construction of The Center, and has stayed to establish the operational infrastructure.

B. Organization Chart (*see attached*)

VI. OTHER

A. Litigation

The Maui Arts & Cultural Center has been named as one of several defendants in Civil case No. 07-1-0438-03, a lawsuit alleging a class action complaint over cancellation of the Aerosmith concert.

B. Licensure or Accreditation

Not Applicable

BUDGET REQUEST BY SOURCE OF FUNDS

(Period: July 1, 2008 to June 30, 2009)

Applicant: Maui Arts & Cultural Center

BUDGET CATEGORIES	Total State Funds Requested (a)	Contributed Income (b)	Earned Income (c)	TOTAL (d)
A. PERSONNEL COST				
1. Salaries	0	43,500	0	43,500
2. Payroll Taxes & Assessments	0	6,525	0	6,525
3. Fringe Benefits	0	1,740	0	1,740
TOTAL PERSONNEL COST	0	51,765	0	51,765
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	0	0	0	0
2. Insurance	0	0	0	0
3. Lease/Rental of Equipment	0	0	0	0
4. Lease/Rental of Space	0	0	0	0
5. Staff Training	0	0	0	0
6. Supplies	0	0	0	0
7. Telecommunication	0	0	0	0
8. Utilities	0	0	0	0
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	0	0	0	
C. EQUIPMENT PURCHASES	0	0	0	
D. MOTOR VEHICLE PURCHASES	0	0	0	
E. CAPITAL	500,000	14,889,595		15,389,595
TOTAL (A+B+C+D+E)	500,000	14,941,360		15,441,360
SOURCES OF FUNDING		Budget Prepared By: Amro Nassar 808-242-2787 x284 Name (Please type or print) Phone Jan. 30, 2008 Signature of Authorized Official Date Karen A. Fischer, President & CEO Name and Title (Please type or print)		
a) Total State Funds Requested	500,000			
b) Contributed Income	14,441,360			
c) Earned Income	0			
d) Contributed - pending	500,000			
TOTAL REVENUE	15,441,360			

BUDGET JUSTIFICATION CAPITAL PROJECT DETAILS

Applicant: Maui Arts & Cultural Center

Period: July 1, 2008 to June 30, 2009

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ANY OTHER SOURCE OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED		FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2005-2006	FY: 2006-2007	FY: 2007-2008	FY: 2008-2009	FY: 2009-2010	FY: 2010-2011
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION	1,252,049	456,223	250,000	500,000		
EQUIPMENT						
TOTAL:	1,252,049	456,223	250,000	500,000		
JUSTIFICATION/COMMENTS:						
FY06-07: \$250,000 appropriated but not released;						
FY07-08: \$250,000 appropriated but not released						

**DECLARATION STATEMENT
APPLICANTS FOR GRANTS AND SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, Hawaii Revised Statutes:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

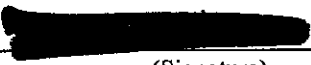
- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Maui Arts & Cultural Center
(Typed Name of Individual or Organization)


(Signature)

1/31/08
(Date)

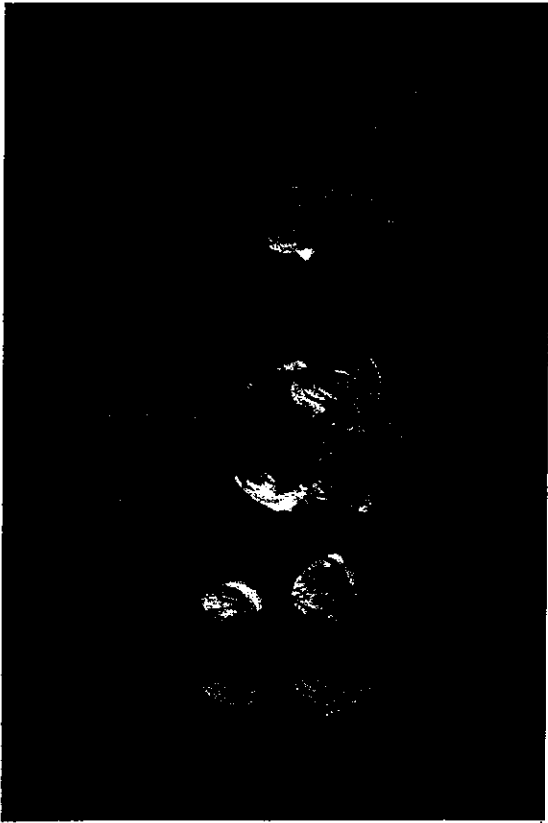
Karen A. Fischer
(Typed Name)

President & CEO
(Title)


Maui
Arts & Cultural Center

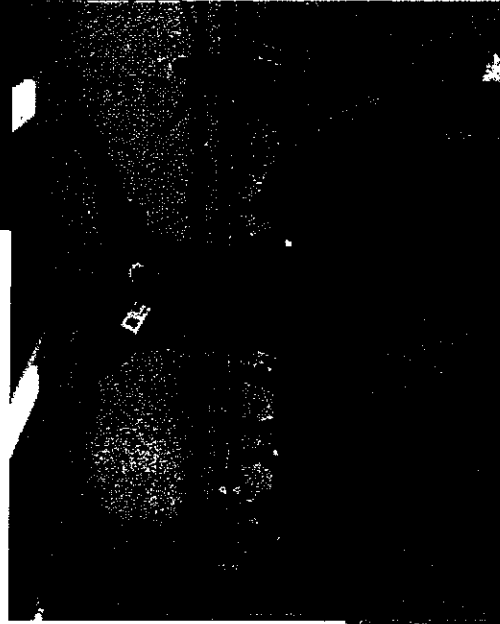


**An Investment
in Community:
The Case for
Government Funding**
January 2008



*The MACC has become
"the venue for us to
express ourselves
as hula people."*

—Keali'i Reichel





Government Support of Arts & Culture

- **Economic Activity**

"Arts & Economic Prosperity III provides compelling new evidence that the nonprofit arts and culture are a significant industry on the Island of Maui—one that generates \$22.19 million in local economic activity. This spending...supports 544 FTE jobs, generates \$9.9 million in household income to local residents, and delivers \$1.32 million in local and state government revenue."

--The Economic Impact of Nonprofit Arts and Culture Organizations, Americans for the Arts, 2007

- **Education**

"I don't know how I could have taught science for so many years without integrating the arts. My students thrive on the science and arts lessons."

--Maggie Prevenas, science teacher at Kalama Intermediate

"Through the Waihe'e School Hawaiian Storytelling project students' oral communication skills really improved. And each child could find something they were good at." --5th grade teacher at Waihe'e School

- **Social Capital**

"The Arts benefit communities as well as individuals. Cities and towns with flourishing cultural activities attract businesses and tourists and provide tremendous incentives for families."

--Senator Edward Kennedy, Co-Chairman Senate Cultural Caucus

"...Art and music are as important as math and science because the dreamers and visionaries among us take the rough straw of an idea and spin it into the gold of new businesses and jobs..."

--Former Governor Mike Huckabee, Arkansas



State Funding supports ECONOMIC DEVELOPMENT



MACC brings new money to Maui

- MACC has become the venue for **big name entertainment** outside of O'ahu—such names as The Eagles, Billy Joel, Tony Bennett, Jimmy Buffet, Natalie Cole, Ziggy Marley, and more.
- Performers and audiences spend money on hotels, cars, restaurants, goods and services.
- **Attracts corporate and incentive groups** business that infuses new money into the Maui economy—Lexus car launch in Sep/Oct 2007 brought 100-150 people to Maui for one to two weeks.

MACC spends money on Maui -- over 90% of MACC \$6 million budget is spent on island.

MACC stimulates spending on Maui

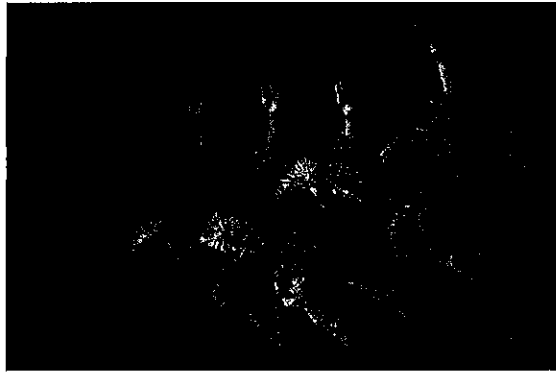
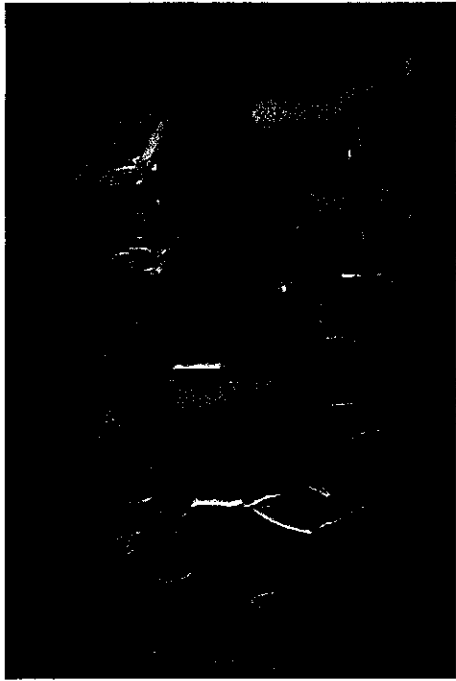
- **Each person who buys a ticket spends an additional \$33.68** on dinner, shopping, transportation/gas/parking, and incidentals.* MACC Box Office sells 140,000-150,000 tickets per year -- for an estimated **\$4.7 million** in ancillary spending

* Americans for the Arts Economic Impact of the Nonprofit Arts and Culture Industry on the Island of Maui, HI, 2007.

Cultural Tourism

MACC as venue for authentic expressions of Hawaiian culture

Kahekilli--
the story of
Maui's chief
produced and
premiered at
the MACC
and going on
statewide and
national tour. ►



◄ MACC hosts the
annual **Ku Mai Ka**
Hula Hawai'i-
Japan hula
competition.



Jake's Japanese fan
club comes every
year for his MACC
performances

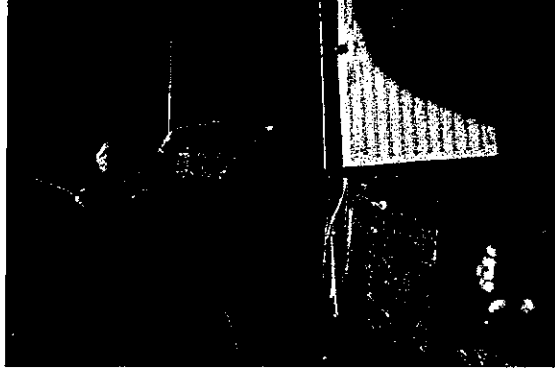
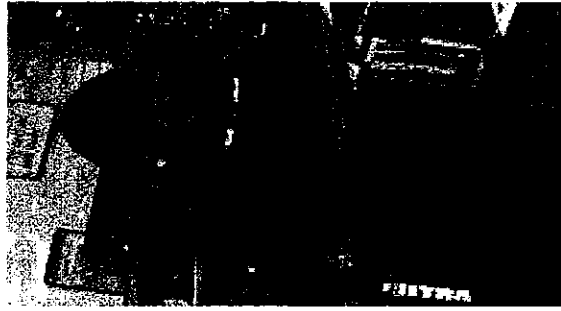


◄ MACC presents
such Hawai'i headliners
as **Keali'i Reichel,**
Willie K, Amy
Hanaiali'i Gilliom,
Brothers Cazimero,
and **Jake**
Shimabukuro, driving
visitor traffic to Maui



State Funding supports EDUCATION

- A healthy society for our children that includes arts & cultural experiences
- Providing Maui children with the tools they need for the future



"The liberal arts make us "competitive" in ways that matter most. They make us wise, thoughtful, and appropriately humble..."

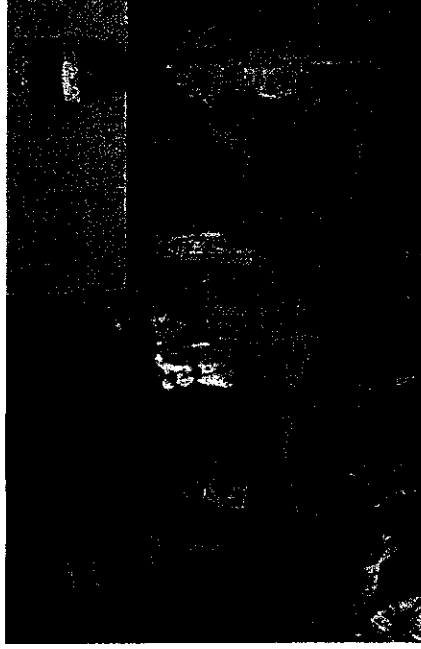
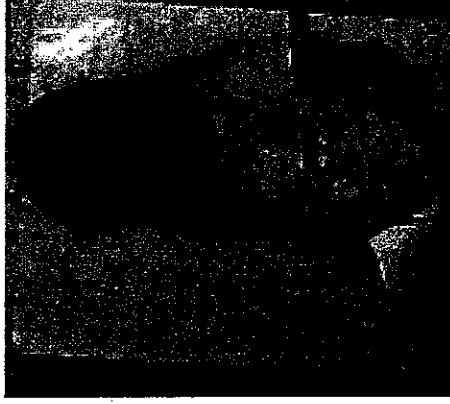
We're already at risk of turning U.S. schools into test-prepping skill factories where nothing matters except exam scores...

We need schools that prepare our children to excel and compete not only in the global workforce but also as full participants in our society, our culture, our polity, and our economy.

--Chester Finn & Diane Ravitch, former assistant U.S. Secretaries of Education, article from Wall Street Journal

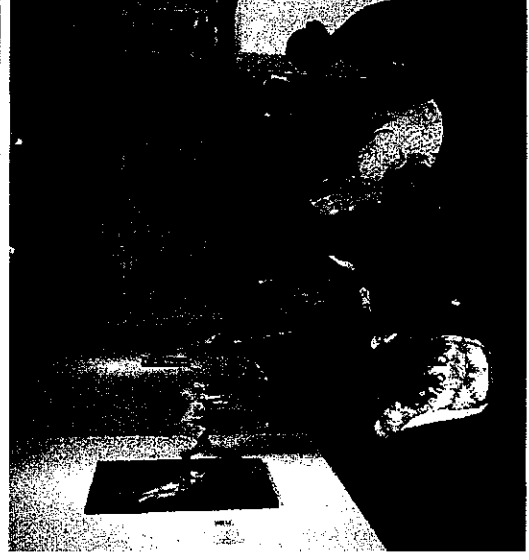
MACC is Maui's largest classroom . . .

- **105 arts-immersion Can Do! Days** with now over 7,300 students annually!
- **14,000 young people** attend performances, exhibitions, and artist residencies annually!
- 1,800 students participate in **School Band Concerts!**
- MACC is a major resource for new elementary school at Maui Lani, **Pōmaika'i**, Hawai'i's first fully arts-integrated public school.
- Integrating arts into curriculum to meet DOE Performance Standards – **Kula, Kihei, and Waihe'e School research**
- Maui County students are invited to enter the annual **Student Art Exhibit, Celebrating the Artist In Us.**



"The children love this program. [It] offers such rich experiences in the arts. These experiences give them success and the confidence to try new things. It fosters positive self-image."

-- Eva Kaneshina, Teacher, Wailuku Elementary School



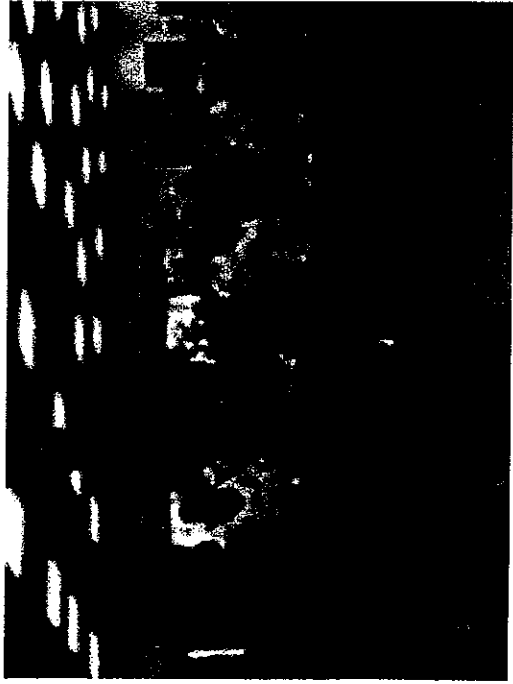
State Funding supports SOCIAL CAPITAL

- Premier Arts & Cultural Center in the State
- Reasonable Rental Rates—Accessible to Community Users



- Affordable Ticket Prices—including \$10 ticket for all MACC shows—and Free Gallery Admission

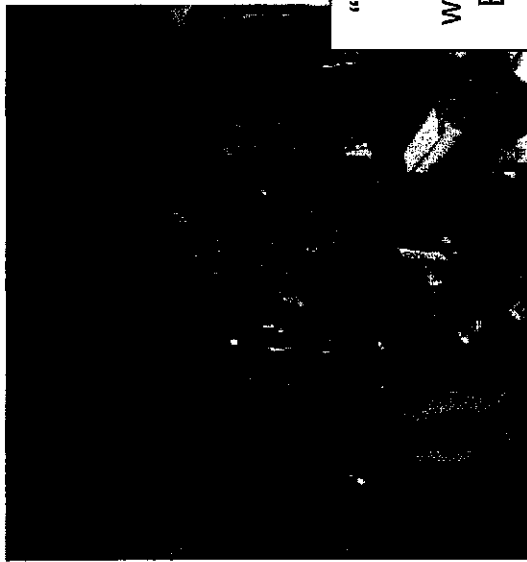
- Quality, Multi-Purpose Facilities—for Residents, Meetings & Incentive Groups, and Visitors & Cultural Tourists



- MACC nurtures and champions authentic expressions of Hawaiian culture, as it evolves in the 21st century
- Affordable Programs for Seniors, Schoolchildren, and “remote areas” of Maui County: Hāna, Molokaʻi, and Lānaʻi

Residencies: MACC Serves ALL people

75% of MACC's touring artists engage seniors, students, teachers, and remote communities through residencies and workshops — over 45 activities annually.



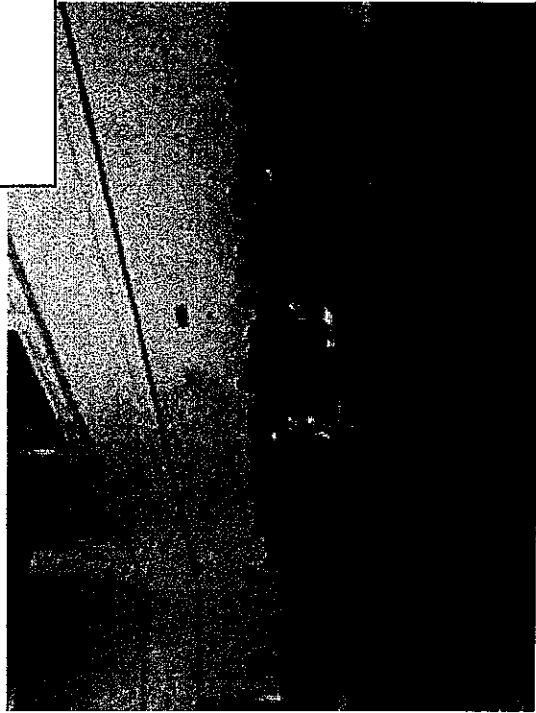
◀ **Tiempo Libre** in school demo and free performance on Lānaʻi.



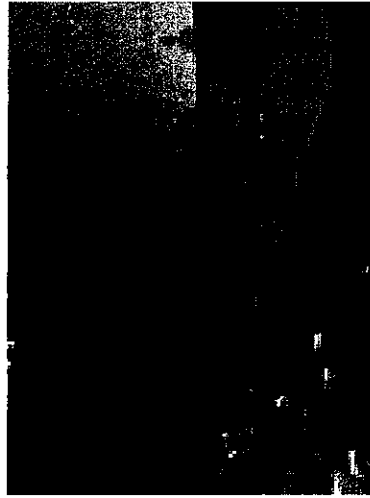
▲ **Matato** 'a giving a free performance on Molokaʻi

"Big MAHALO for bring culture, entertainment to Hāna... The weather was wind, rain and cold. But the house was full of smile faces. Mahalo"

--- Eileen and Family

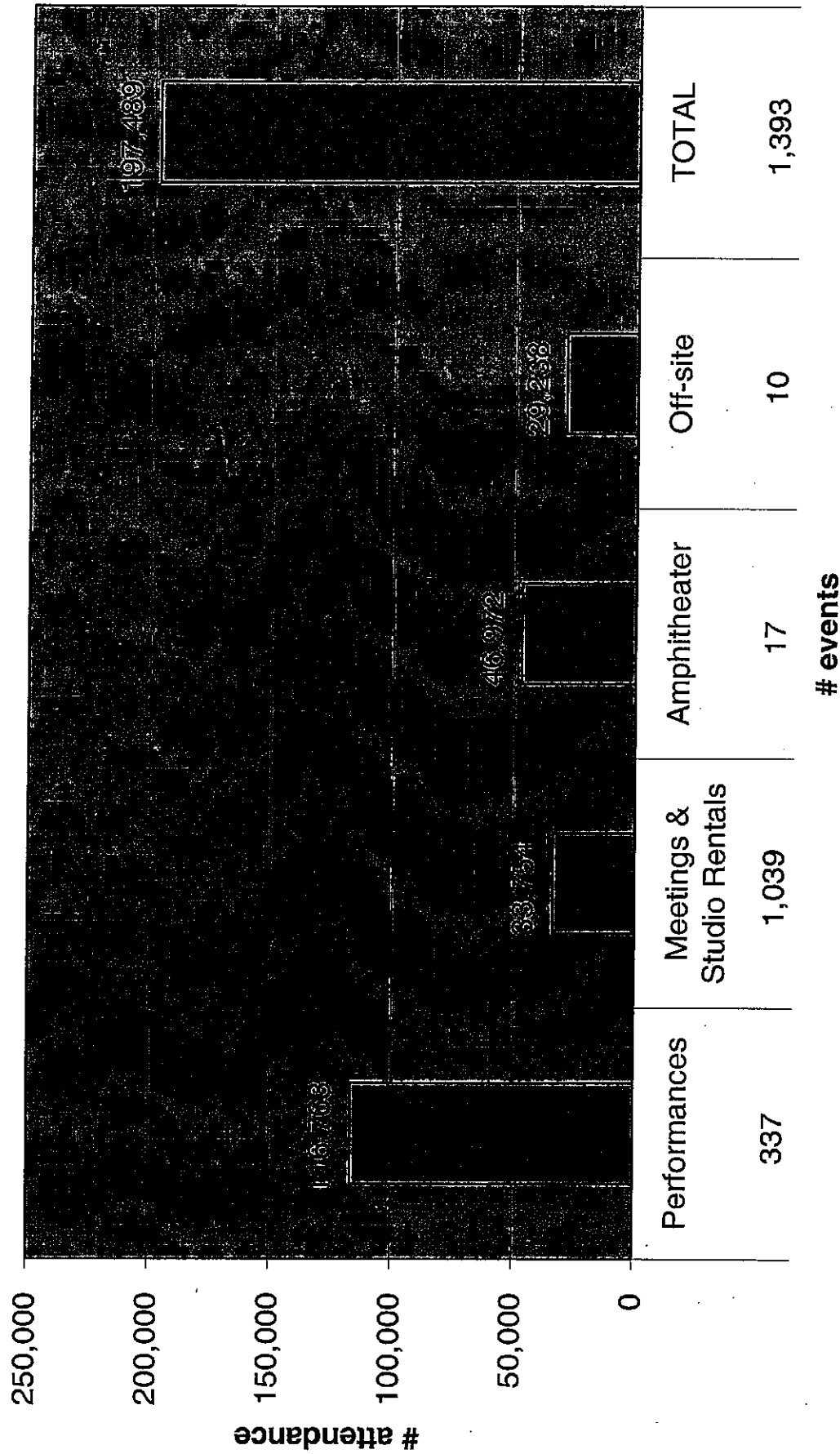


◀ **Keo Woolford** in I-Land, performed a lecture-demonstration for middle- and high-school students in Hāna and Molokaʻi, then gave a free performance for each community.



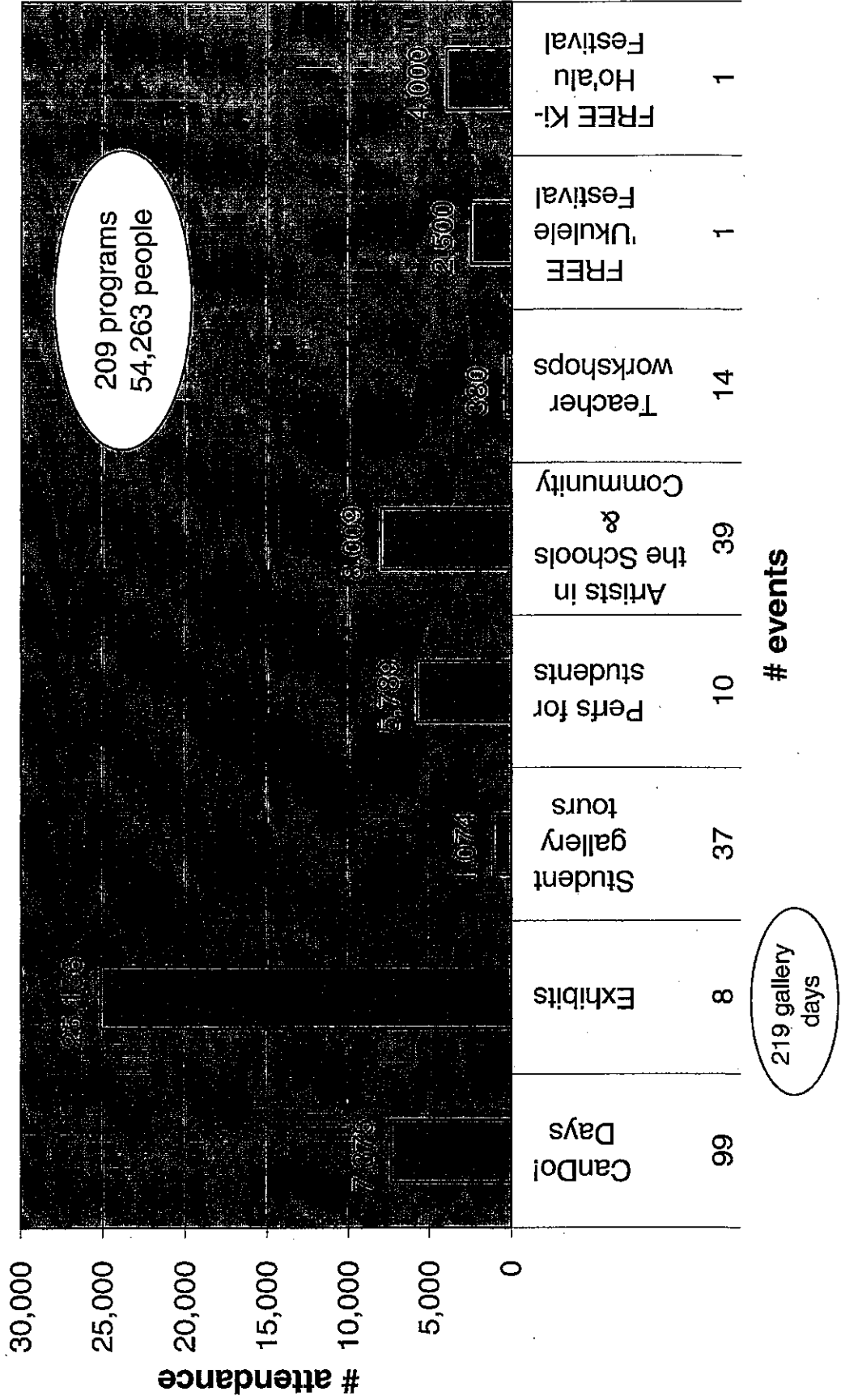
▲ **Roy Sakuma** teaches 'ukulele as part of free 'Ukulele Festival at the MACC

2006-07 Performances & Rental activity

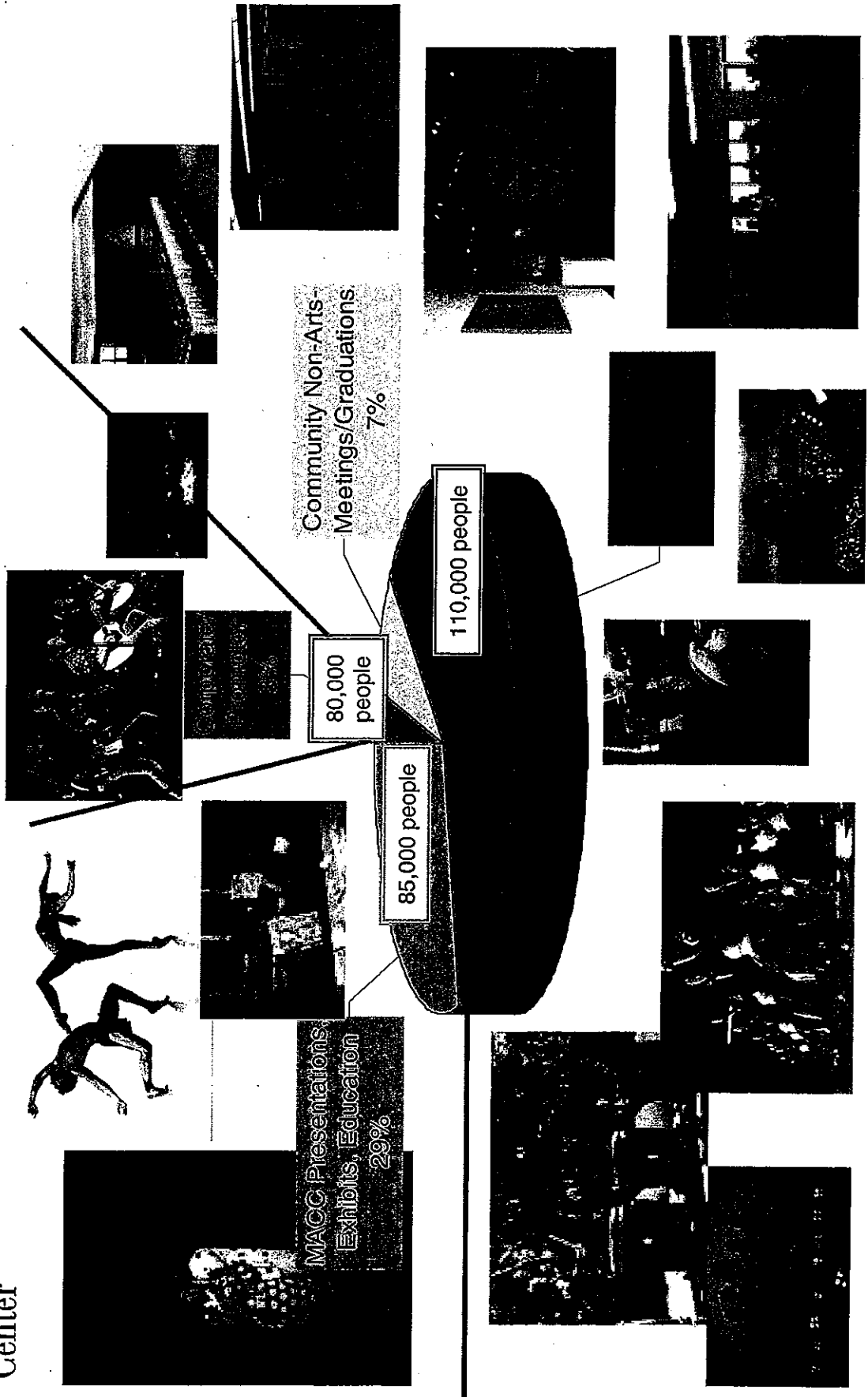




2006-07 MACC education, community & free events



Usage of the Facilities by Event Type 1800 events annually ♦ 275,000 people attend

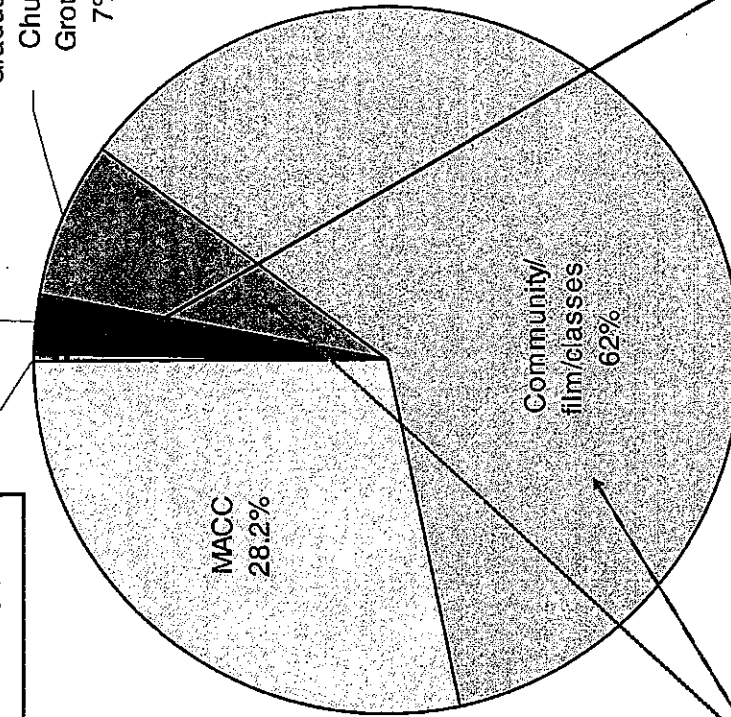


1,800 Activities: Usage vs Net Earned on Activities

Corporate/
Incentive

**Activity-Usage
by Event Type**

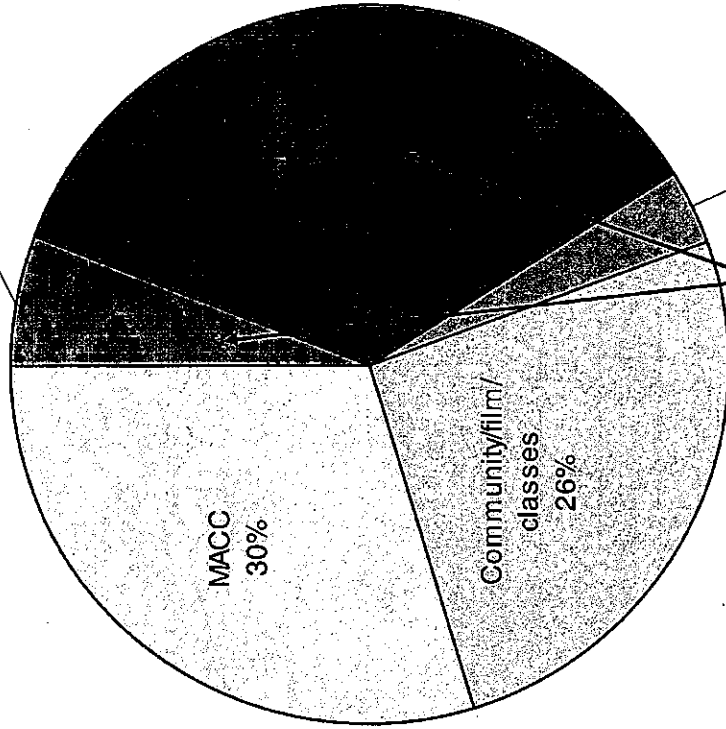
Promoter 2.8%
Meetings/
Graduations/
Church
Groups 7%



**69% of activity-usage is
generated by community users**

**Net Earned Income
by Event Type**

Corporate/
Incentive
6%



**3% of activity-usage generated 41% of net
earned income**



2007-08 Budget, 2006-07 Actuals

	BUDGET 7/1/07-6/30/08	ACTUAL 7/1/06-6/30/07
INCOME		
<i>Earned Revenue</i>		
Ticket Sales	1,036,175	1,301,609
Other Program Income	38,620	66,809
Rental Income	530,402	474,690
Technical Services, Parking/Security Service	480,010	628,391
Ancillary Income	1,184,005	1,335,826
Box Office Charges, Gift Shop, Miscellaneous	<u>531,042</u>	<u>562,798</u>
Total Earned Revenue	3,800,254	4,370,123
<i>Contributed Income</i>		
Federal Grants	90,000	46,000
State Grants	195,000	361,437
County Grants	300,000	270,000
Foundations & Corporations	176,540	169,587
Individual Giving, Annual Donors, Special Events	1,352,775	1,396,438
Endowment Income	<u>140,400</u>	<u>143,094</u>
Total Contributions	2,254,715	2,386,556
TOTAL INCOME	6,054,969	6,756,679
EXPENSE		
Payroll & Benefits	2,865,203	2,744,697
Presentations Program	689,051	1,094,263
Production--Rentals	283,063	510,959
Exhibitions	61,119	46,961
Education Program	151,490	160,194
Marketing & Box Office	364,788	432,788
Development, Gen'l & Administrative, Cost of Sales	532,665	605,856
Facilities, Operations, Repairs & Maintenance	274,684	262,656
Utilities & Telephone	711,796	685,794
Maintenance Reserve	<u>120,000</u>	<u>120,000</u>
TOTAL EXPENSE	6,053,859	6,664,168
OPERATING NET INCOME	1,110	92,511
Allocation to Facility Maintenance Reserve Fund		<u>(92,511)</u>
NET		0



THE CAMPAIGN FOR THE MAUI ARTS & CULTURAL CENTER

A Gift for Generations to Come!



Completing Pundy's Dream



Ten years ago a dream came true.

Today it's for all of us!

a Gift for Generations to Come

- In 2001, the MACC began a \$15.9 million capital and endowment campaign, and by 2006, exceeded its goal, raising a total of \$17.9 million.
- In January 2006 the MACC received the prestigious \$750,000 Kresge Foundation Challenge grant funds to complete the campaign.
- These funds are used to improve services and facilities, expand community use, and increase earned income potential to support Center programs.

Upgraded food-and-beverage service capabilities, new event & hospitality forum, and added storage area

• Schaefer International Gallery improvements

Castle Theater technical upgrades

• Renovated multipurpose meeting rooms

• Pavilion for Yokouchi Founders' Court/A&B Amphitheater stage

• Added pa infrastructure

• New courtyard arcade

• New hospitality courtyard

• New meeting space

• Parking

• New office space

• New events lawn

Stage 1 - COMPLETED SEPT 2003

- New box office
- Improved education complex
- Upgraded McCoy Studio Theater
- Castle Theater technical upgrades
- Renovated multipurpose meeting rooms

Stage 2 - COMPLETED DEC 2005

- New hospitality courtyard
- New courtyard arcade
- New office & meeting space
- New events lawn

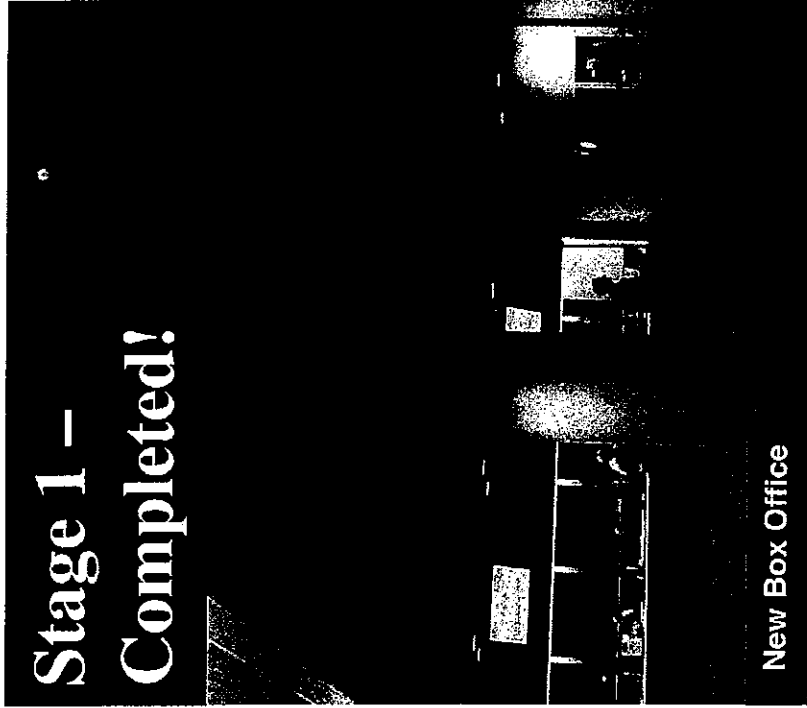
Stage 3

- Pavilion for Yokouchi Founders' Court/A&B Amphitheater stage
- Upgraded food-and-beverage service capabilities
- Hospitality & event forum
- Added storage area & maintenance building
- Added pa infrastructure
- Enhanced landscaping
- Schaefer International Gallery improvements
- Additional parking and egress

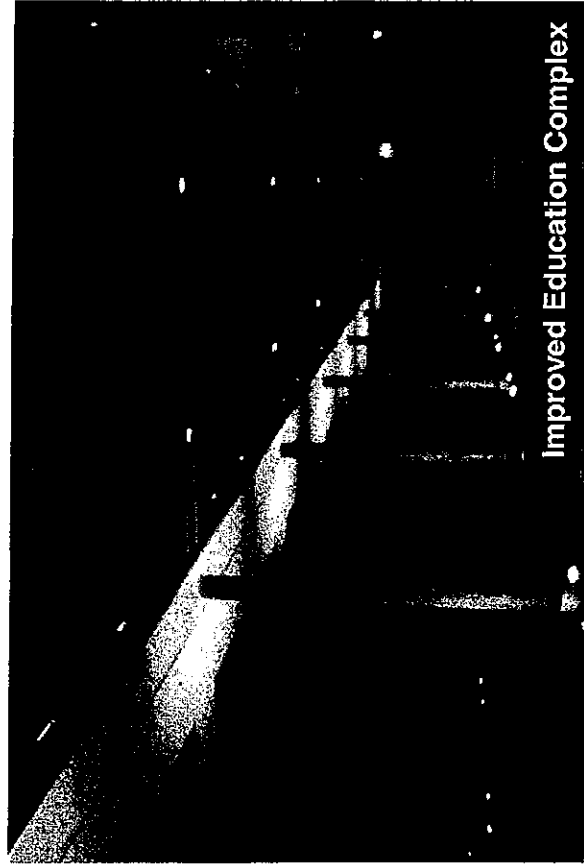
• Storage & Maintenance building

• Upgraded McCoy Studio Theater

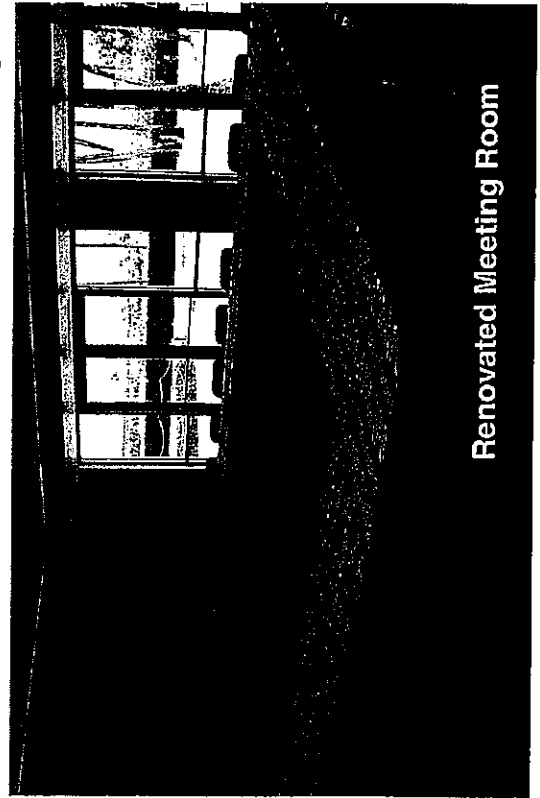
• Renovated multipurpose meeting rooms



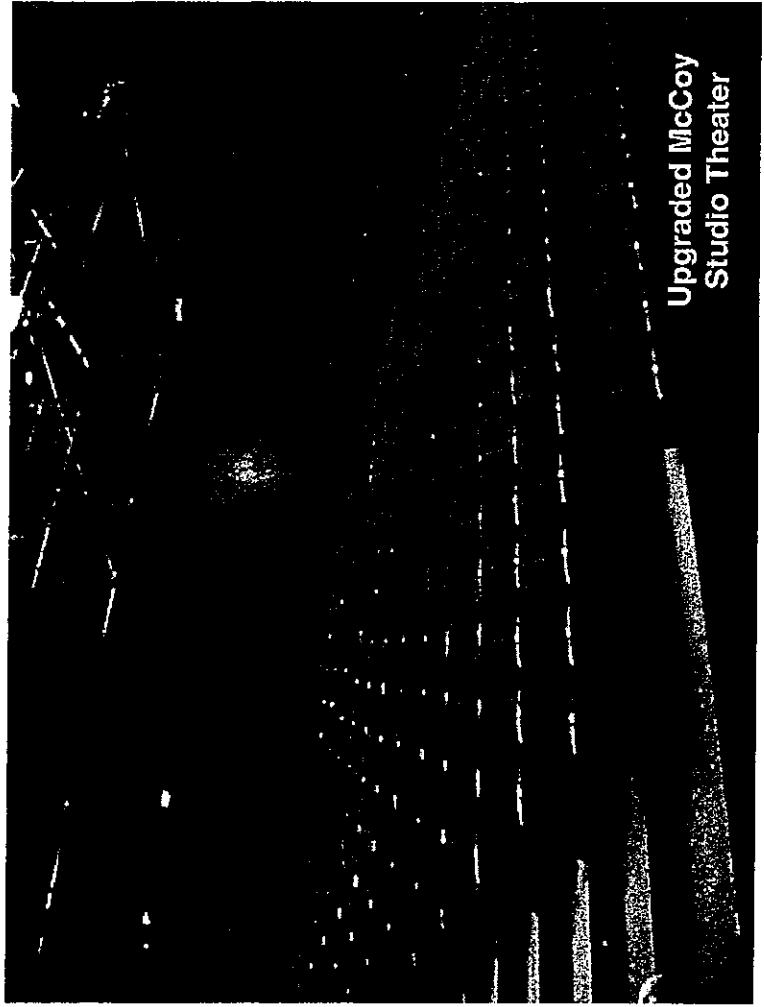
New Box Office



Improved Education Complex

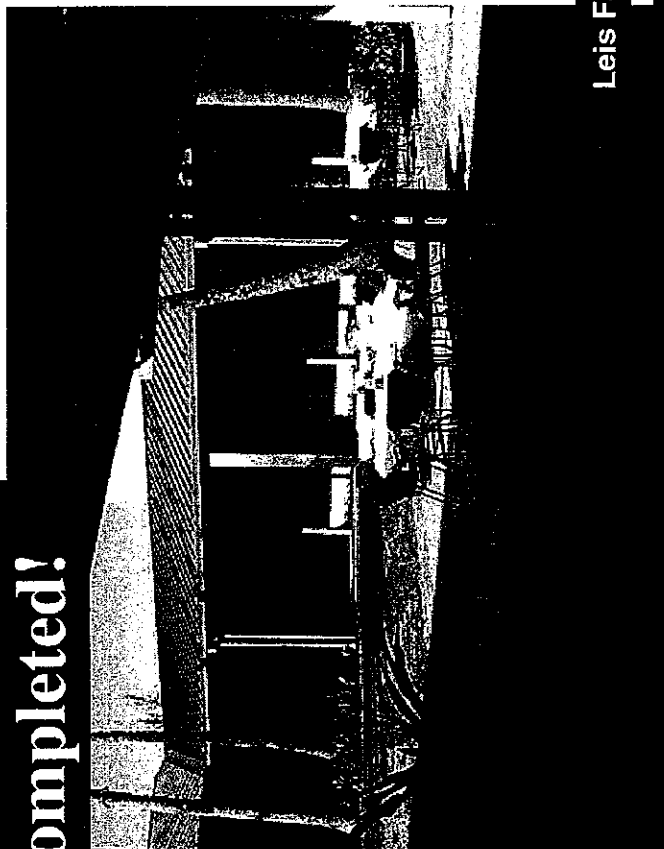


Renovated Meeting Room



Upgraded McCoy
Studio Theater

Stage 2- Completed!



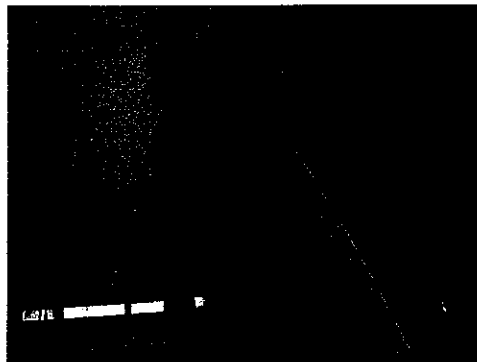
Leis Family Courtyard



Haynes
Meeting
Room



Administration Building



Louis & Jolene
Cole
Conference
Room



a Gift for Generations to Come: *Completing Pundy's Dream*

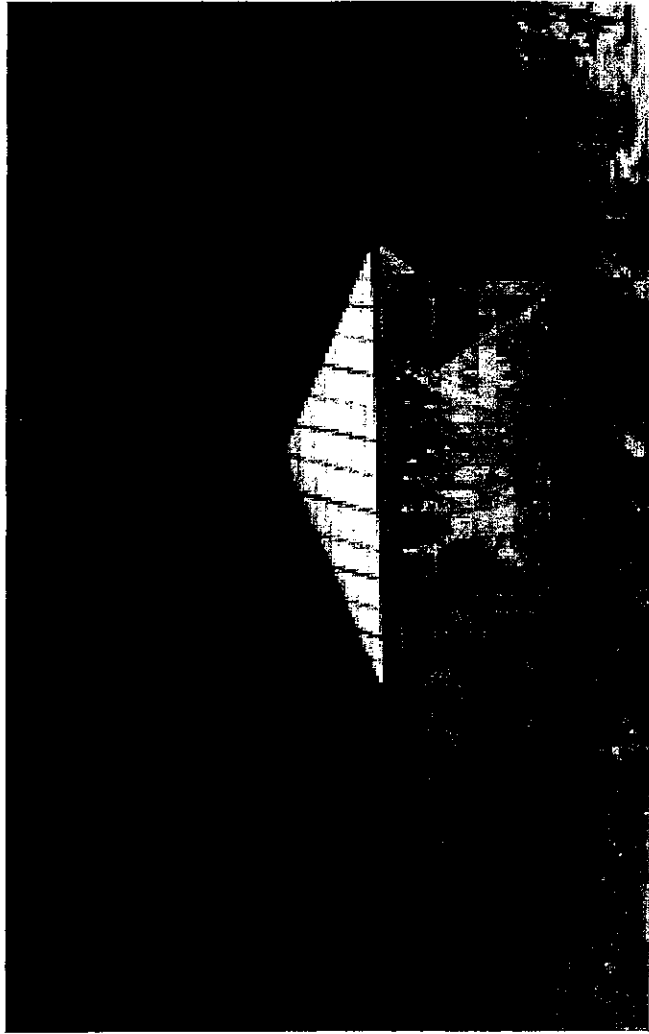
The MACC is about to begin the 3rd and final stage—to increase earned revenues, improve service to our community, and meet future needs:

- pavilion over Founders' Court and amphitheater stage,
 - food-and-beverage service areas,
 - catering kitchen,
 - new events forum
 - maintenance building, additional parking, landscaping
- Due to Hawai'i's building boom and a premium on building materials, construction estimates for Stage 3 have risen from \$9 million to \$12.9 million
- The MACC is raising \$4 million in additional funds to ensure successful completion—the State has generously appropriated \$250,000 in 07-08.

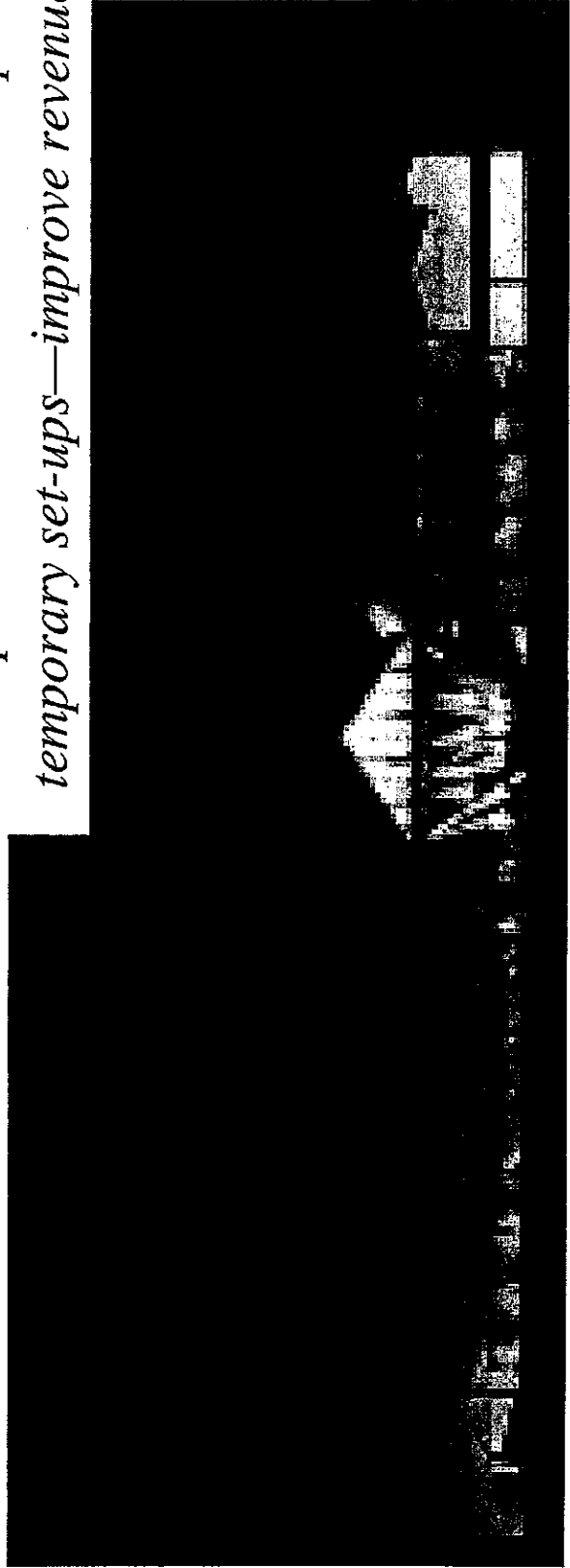


Stage 3
Construction:
"Completing
Pundy's Dream"

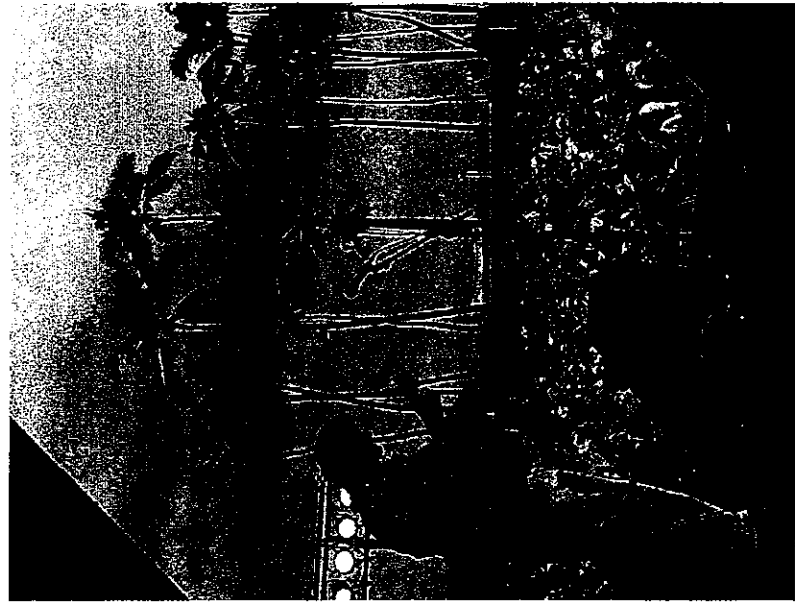
Pavilion over
Yokouchi Founders'
Court & A&B
Amphitheater stage



*permanent structures to replace
temporary set-ups—improve revenues*



 Maui
Arts & Cultural Center



An Investment in Community





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Mercer "Chubby" Vicens

William C.N. Wong

Karen A. Fischer
PRESIDENT & CEO

One Cameron Way

Kahului, HI 96732

Phone: (808) 242-ARTS

FAX: (808) 242-4665

January 26, 2008

Hawai'i State Capitol
Senate Committee on Ways and Means
Attention: Aaron Nyuha
Room 210
Honolulu, Hawai'i 96813

Dear Aaron:

We respectfully request second-year funding of Maui Arts & Cultural Center's \$250,000 Grants-in-Aid biennium application for operating support in FY08-09.


No revisions have been made to our FY08-09 application. However, your support will assist The Center to continue to provide services directly to the State through our education programs for teachers and students grades K-12, affordable access to programs and facilities for all of Hawai'i's people, a center for cultural tourism, and our services to Maui Community College.

In addition, this support represents a vital investment in the economic viability of our community. The 2007 study of the Economic Impact of the Arts on Maui and in the State, published by Americans for the Arts, provides quantitative evidence that strong, healthy cultural institutions generate a significant amount of economic activity, including jobs, and attract cultural tourism, part of a sustainable visitor industry for Hawai'i.

We recognize that there are many priorities for State government. However, the support of the State for the MACC is a key component to maintaining a financially viable arts center. Importantly, State funding helps leverage and accelerate additional support from the private sector. MACC will match these State dollars 25-to-1, and we are pleased to note that, in addition to generating economic activity and serving as a key resource for our schools and teachers across the state, most of our spending stays in Hawai'i, in our communities.

With many thanks for your favorable consideration and with warmest aloha,


James Haynes
Chairman, Board of Directors


Karen A. Fischer
President & CEO